# UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

UNITED STATES OF AMERICA

Case No. 19 CR 209

v.

Judge Matthew F. Kennelly

SCHOCK FOR CONGRESS

## PLEA AGREEMENT

1. This Plea Agreement between the United States Attorney for the Northern District of Illinois, JOHN R. LAUSCH, JR., and defendant SCHOCK FOR CONGRESS, and its attorney, ELLIOT BERKE, is made pursuant to Rule 11 of the Federal Rules of Criminal Procedure and is governed in part by Rule 11(c)(1)(C), as more fully set forth below. The parties to this Agreement have agreed upon the following:

#### Charge in This Case

- 2. The information in this case charges defendant with failing to maintain records with respect to matters required to be reported to the Federal Election Commission ("FEC"), in violation of Title 52, United States Code, Sections 30102(c)(5) and 30109(d)(1)(A)(ii).
- 3. Defendant has read the charge against it contained in the information, and that charge has been fully explained to it by its attorney.
- 4. Defendant fully understands the nature and elements of the crime with which it has been charged.

## Charge to Which Defendant Is Pleading Guilty

5. By this Plea Agreement, defendant agrees to enter a voluntary plea of guilty to the information, which charges defendant with failing to maintain records with respect to matters required to be reported to the FEC, in violation of Title 52, United States Code, Sections 30102(c)(5) and 30109(d)(1)(A)(ii).

#### **Factual Basis**

6. Defendant will plead guilty because defendant is in fact guilty of the charge contained in the information. In pleading guilty, defendant admits the following facts and that those facts establish its guilt beyond a reasonable doubt:

On or about October 15, 2014, defendant SCHOCK FOR CONGRESS knowingly and willfully committed a violation Title 52, United States Code, Section 30102(c)(5), involving expenditures aggregating \$2,000 or more, but less than \$25,000, during a calendar year, by failing to maintain vouchers, worksheets, receipts, bills or accounts that would provide in sufficient detail the necessary information and data from which filed reports and statements of SCHOCK FOR CONGRESS could be verified, explained, clarified, and checked for accuracy and completeness, in violation of Title 52, United States Code, Sections 30102(c)(5) and 30109(d)(1)(A)(ii).

More specifically, SCHOCK FOR CONGRESS acknowledges that, as a political committee for a candidate for federal office, it had legal obligations to file accurate public reports concerning, among other things, its expenditures. In furtherance of

these obligations, SCHOCK FOR CONGRESS was required under provisions of the Federal Election Campaign Act ("FECA"), including 52 U.S.C. § 30102 and its implementing regulations, to maintain vouchers, worksheets, receipts, bills or accounts that would provide in sufficient detail the necessary information and data from which filed reports and statements of SCHOCK FOR CONGRESS could be verified, explained, clarified, and checked for accuracy and completeness.

SCHOCK FOR CONGRESS acknowledges that, despite its awareness of these obligations, it at times failed to generate or maintain such records with respect to certain expenditures, including several occasions on which SCHOCK FOR CONGRESS paid the candidate, Aaron J. Schock ("Schock"), reimbursements for private automobile mileage without receiving or generating any documentation. For example, on or about August 11, 2014, Schock submitted to SCHOCK FOR CONGRESS a \$9,433.20 reimbursement request based on 16,845 claimed miles. The reimbursement request was accompanied by no mileage log or any other form of documentation of mileage actually incurred by Schock. SCHOCK FOR CONGRESS nevertheless paid the claim by check on or about August 14, 2014, and never sought from Schock, nor generated itself, any such documentation. On or about October 15, 2014, SCHOCK FOR CONGRESS reported this expenditure to the Federal Election Commission despite the absence of legally required documentation. Between 2008 and 2014, SCHOCK FOR CONGRESS dispersed at least approximately \$26,553 in mileage reimbursements to Schock without documentation. SCHOCK FOR

CONGRESS took the actions described herein without the knowledge or will of its Treasurer, Custodian of Records, or Compliance Consultant.

#### **Maximum Statutory Penalties**

7. Defendant understands that the charge to which it is pleading guilty carries a maximum fine of \$200,000. Additionally, pursuant to Title 18, United States Code, Section 3013, defendant will be assessed \$125 on the charge to which it has pled guilty, in addition to any other penalty imposed.

#### **Sentencing Guidelines Calculations**

8. Defendant understands that in determining a sentence, the Court is obligated to calculate the applicable Sentencing Guidelines range, and to consider that range, possible departures under the Sentencing Guidelines, and other sentencing factors under 18 U.S.C. § 3553(a), which include: (i) the nature and circumstances of the offense and the history and characteristics of the defendant; (ii) the need for the sentence imposed to reflect the seriousness of the offense, promote respect for the law, and provide just punishment for the offense, afford adequate deterrence to criminal conduct, protect the public from further crimes of the defendant, and provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner; (iii) the kinds of sentences available; (iv) the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct; and (v) the need to provide restitution to any victim of the offense.

- 9. For purposes of calculating the Sentencing Guidelines, the parties agree on the following points:
- a. The Sentencing Guidelines to be considered in this case are those in effect at the time of sentencing. The following statement regarding the calculation of the Sentencing Guidelines is based on the Guidelines Manual currently in effect, namely the November 2018 Guidelines Manual.
- b. Pursuant to Guideline §§ 8C2.1 and 8C2.10, the Court will determine an appropriate fine by applying the provisions of 18 U.S.C. §§ 3553 and 3572.
- c. Defendant and its attorney and the government acknowledge that the above statement regarding the guidelines calculations is preliminary in nature, and is a non-binding prediction upon which neither party is entitled to rely. Defendant understands that further review of the facts or applicable legal principles may lead the government to conclude that different or additional guidelines provisions apply in this case. Defendant understands that the Probation Office will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and that the Court's determinations govern the final guideline calculation. Accordingly, the validity of this Agreement is not contingent upon the probation officer's or the Court's concurrence with the above statement regarding the guidelines calculation, and defendant shall not have a right to withdraw its plea on the basis of the Court's rejection of this statement.

by Fed. R. Crim. P. 11(c)(1)(B), and that errors in applying or interpreting any of the sentencing guidelines may be corrected by either party prior to sentencing. The parties may correct these errors either by stipulation or by a statement to the Probation Office or the Court, setting forth the disagreement regarding the applicable provisions of the guidelines. The validity of this Agreement will not be affected by such corrections, and defendant shall not have a right to withdraw its plea, nor the government the right to vacate this Agreement, on the basis of such corrections.

### Agreements Relating to Sentencing

11. This Agreement will be governed, in part, by Fed. R. Crim. P. 11(c)(1)(C). That is, the parties have agreed that the sentence imposed by the Court shall include a fine in the amount of \$26,553. If the Court accepts and imposes the agreed fine set forth, defendant may not withdraw this plea as a matter of right under Fed. R. Crim. P. 11(d) and (e). If, however, the Court refuses to impose the agreed fine set forth herein, thereby rejecting this Agreement, or otherwise refuses to accept defendant's plea of guilty, either party has the right to withdraw from this Agreement. Defendant agrees to pay the special assessment of \$125 at the time of sentencing with a cashier's check or money order payable to the Clerk of the U.S. District Court.

## Acknowledgments and Waivers Regarding Plea of Guilty

### Nature of Agreement

- 12. This Agreement is entirely voluntary and represents the entire agreement between the United States Attorney and defendant regarding defendant's criminal liability in the above-captioned case.
- 13. This Agreement concerns criminal liability only. Except as expressly set forth in this Agreement, nothing herein shall constitute a limitation, waiver, or release by the United States or any of its agencies of any administrative or judicial civil claim, demand, or cause of action it may have against defendant or any other person or entity. The obligations of this Agreement are limited to the United States Attorney's Office for the Northern District of Illinois and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities, except as expressly set forth in this Agreement.

#### Waiver of Rights

- 14. Defendant understands that by pleading guilty it surrenders certain rights, including the following:
- a. **Trial rights**. Defendant has the right to persist in a plea of not guilty to the charge against it, and if it does, it would have the right to a public and speedy trial.
- i. The trial could be either a jury trial or a trial by the judge sitting without a jury. However, in order that the trial be conducted by the judge

sitting without a jury, defendant, the government, and the judge all must agree that the trial be conducted by the judge without a jury.

- ii. If the trial is a jury trial, the jury would be composed of twelve citizens from the district, selected at random. Defendant and its attorney would participate in choosing the jury by requesting that the Court remove prospective jurors for cause where actual bias or other disqualification is shown, or by removing prospective jurors without cause by exercising peremptory challenges.
- iii. If the trial is a jury trial, the jury would be instructed that defendant is presumed innocent, that the government has the burden of proving defendant guilty beyond a reasonable doubt, and that the jury could not convict it unless, after hearing all the evidence, it was persuaded of it guilt beyond a reasonable doubt. The jury would have to agree unanimously before it could return a verdict of guilty or not guilty.
- iv. If the trial is held by the judge without a jury, the judge would find the facts and determine, after hearing all the evidence, whether or not the judge was persuaded that the government had established defendant's guilt beyond a reasonable doubt.
- v. At a trial, whether by a jury or a judge, the government would be required to present its witnesses and other evidence against defendant.

  Defendant would be able to confront those government witnesses and its attorney would be able to cross-examine them.

- vi. At a trial, defendant could present witnesses and other evidence in its own behalf. If the witnesses for defendant would not appear voluntarily, it could require their attendance through the subpoena power of the Court. A defendant is not required to present any evidence.
- b. Waiver of appellate and collateral rights. Defendant further understands it is waiving all appellate issues that might have been available if it had exercised its right to trial. Defendant is aware that Title 28, United States Code, Section 1291, and Title 18, United States Code, Section 3742, afford a defendant the right to appeal its conviction and the sentence imposed. Acknowledging this, defendant knowingly waives the right to appeal its conviction, any pre-trial rulings by the Court, and any part of the sentence (or the manner in which that sentence was determined), including any term of imprisonment and fine within the maximums provided by law, in exchange for the concessions made by the United States in this Agreement. In addition, defendant also waives its right to challenge its conviction and sentence, and the manner in which the sentence was determined, in any collateral attack or future challenge, including but not limited to a motion brought under Title 28, United States Code, Section 2255. The waiver in this paragraph does not apply to a claim of involuntariness or ineffective assistance of counsel, nor does it prohibit defendant from seeking a reduction of sentence based directly on a change in the law that is applicable to defendant and that, prior to the filing of defendant's

request for relief, has been expressly made retroactive by an Act of Congress, the Supreme Court, or the United States Sentencing Commission.

- 15. Defendant understands that by pleading guilty it is waiving all the rights set forth in the prior paragraphs. Defendant's attorney has explained those rights to it, and the consequences of it waiver of those rights.
- 16. Defendant understands that it has the right to be prosecuted for any criminal offense in the district or districts where the offense was committed. By signing this Agreement, defendant knowingly consents to prosecution of the charge against it in the Northern District of Illinois and waives any objection to the venue of this prosecution.

### Presentence Investigation Report/Post-Sentence Supervision

- 17. Defendant understands that the United States Attorney's Office in its submission to the Probation Office as part of the Pre-Sentence Report and at sentencing shall fully apprise the District Court and the Probation Office of the nature, scope, and extent of defendant's conduct regarding the charge against it, and related matters. The government will make known all matters in aggravation and mitigation relevant to sentencing.
- 18. Defendant agrees to truthfully and completely execute a Financial Statement (with supporting documentation) prior to sentencing, to be provided to and shared among the Court, the Probation Office, and the United States Attorney's Office regarding all details of it financial circumstances, including it recent income

tax returns as specified by the probation officer. Defendant understands that providing false or incomplete information, or refusing to provide this information, may be used as a basis for denial of a reduction for acceptance of responsibility pursuant to Guideline § 3E1.1 and enhancement of it sentence for obstruction of justice under Guideline § 3C1.1, and may be prosecuted as a violation of Title 18, United States Code, Section 1001 or as a contempt of the Court.

#### **Other Terms**

19. Defendant agrees to cooperate with the United States Attorney's Office in collecting any unpaid fine for which defendant is liable, including providing financial statements and supporting records as requested by the United States Attorney's Office.

### Conclusion

- 20. Defendant understands that this Agreement will be filed with the Court, will become a matter of public record, and may be disclosed to any person.
- 21. Defendant understands that its compliance with each part of this Agreement extends throughout the period of it sentence, and failure to abide by any term of the Agreement is a violation of the Agreement. Defendant further understands that in the event it violates this Agreement, the government, at its option, may move to vacate the Agreement, rendering it null and void, and thereafter prosecute defendant not subject to any of the limits set forth in this Agreement, or may move to resentence defendant or require defendant's specific performance of this

Agreement. Defendant understands and agrees that in the event that the Court permits defendant to withdraw from this Agreement, or defendant breaches any of its terms and the government elects to void the Agreement and prosecute defendant, any prosecutions that are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against defendant in accordance with this paragraph, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such

22. Defendant and its attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Agreement, to cause defendant to plead guilty.

prosecutions.

23. Defendant acknowledges that it has read this Agreement and carefully reviewed each provision with its attorney. Defendant further acknowledges that it understands and voluntarily accepts each and every term and condition of this Agreement.

AGREED THIS DATE:	
JOHN R. LAUSCH, JR. United States Attorney	PAUL KILGORE Treasurer, Schock for Congress
ERIK A. HOGSTROM Assistant United States Attorney	ELLIOT BERKE Attorney for Defendant